Pwyllgor Strategaeth a Chynllunio/ Strategy and Planning Committee

DYDDIAD Y CYFARFOD: **DATE OF MEETING:**	20 AUGUST 2026
TEITL YR ADRODDIAD: **TITLE OF REPORT:**	2026/27 Annual Plan – Quarter 1 Delivery Update
CYFARWYDDWR ARWEINIOL: **LEAD DIRECTOR:**	Lee Davies, Executive Director of Strategy and Planning
SWYDDOG ADRODD: **REPORTING OFFICER:**	Shaun Ayres, Director of Delivery Daniel Warm, Head of Planning Angharad Lloyd-Probert, Senior Project Manager (Planning)

Pwrpas yr Adroddiad (dewiswch fel yn addas) **Purpose of the Report** (select as appropriate)
Er Sicrwydd/ For Assurance

ADRODDIAD SCAA
SBAR REPORT

Sefyllfa / Situation

The Health Board approved the 2026/27 Annual Plan in March 2026, based on requirements specified in the NHS Wales Planning Framework 2026/29 and against the Escalation Framework. The Plan was subsequently submitted to Welsh Government (WG) at the end of March 2026. However, since the original submission significant and continued work has been put in place to provide WG with the assurance they require particularly with regards to financial and performance position.

This report provides the Strategy and Planning Committee (SPC) with an update on progress against the Plan, including the Planning Goals and the Enabling Actions within the original submission.

Cefndir / Background

The Board approved the Annual Plan on 26 March 2026. WG confirmed on 23 July 2026 that the Plan remains unsupported. For this Committee, the implication is specific: delivery commitments must be supported by realistic trajectories, defined capacity and funding assumptions, clear dependencies, ownership and milestones.

Since approval, national direction has required a route to zero waits over 104 weeks by March 2027, a maximum eight-week diagnostic wait, and 95% of ambulance handovers within 45 minutes by December 2026. The Clinical Services Plan (CSP) has also moved from high-level intent to seven proposed changes in 2026/27, with workforce, estate, safety and capital dependencies still to be resolved.

5.2 Targeted Intervention Report provides the full escalation assessment. The direct read-across here is limited to delivery of the Annual Plan: where evidence has changed, the Health Board must

use one controlled variation to the Plan rather than maintain competing planning and performance trajectories.

Asesiad / Assessment

Overall delivery judgement

Delivery activity is evident, but full deliverability is not yet evidenced. Lead-assessed Planning Goal status remains positive, while the Enabling Action profile and unresolved baseline changes show that delivery confidence is mixed.

Annual Plan delivery baseline: what has changed

Position at 28 July 2026. This shows changes to the approved planning baseline.

	PLAN BASELINE	UPDATED POSITION	NEXT PLANNING CONTROL
PLANNED CARE	March trajectory: 5,507 waits above 104 weeks	Required: zero waits above 104 weeks by March 2027	Approve specialty trajectories, recurrent capacity, funding and milestones
URGENT AND EMERGENCY CARE	Plan focused on one-hour handovers	Required: 95% within 45 minutes by December 2026	Approve realistic trajectory, scheme phasing, capacity and partner dependencies
DIAGNOSTICS AND RADIOLOGY	March trajectory: 4,407 waits above eight weeks	Eight-week maximum; radiology baseline not yet validated	Agree one baseline and funded, modality-level capacity plans
CLINICAL SERVICES PLAN	High-level service change programme	Seven changes for 2026/27; material dependencies outstanding	Sequence business cases, workforce, estate, safety and capital decisions

Detailed operational performance is reported through the Finance and Performance Committee.

The change is most material in planned care, urgent care and diagnostics. Current submissions remain interim or require reconciliation, while radiology does not yet have one validated demand, capacity and costing baseline. This issue is linked to the Radiology plus system. CSP delivery depends on sequencing decisions that have not all entered formal business-case development.

These are not requests for the Committee to manage day-to-day performance. The Committee's consideration is to test whether the revised position is a credible plan: one trajectory, an explicit capacity and resource requirement, accountable ownership, milestones, dependencies and an approval route.

Overarching delivery of the Annual Plan – WG correspondence

The Health Board has received further correspondence on 23 July 2026 (Annex 1) from Jacqueline Totterdell (Director General Health, Health, Care and Prevention Group / NHS Wales Chief Executive) who notes that continued work is required particularly regarding the financial position and performance in relation to planned care and urgent and emergency care, and concludes by stating:

"In summary, your organisation has failed to meet the statutory planning and financial requirements as set out in the NHS Wales Planning Framework. You have also failed to meet the de-escalation criteria for a credible annual plan. The health board has therefore breached its statutory duty, and as your plan stands you have not provided the assurance or levels of confidence required. As noted, your plan therefore remains unacceptable and unsupportable by Welsh Government. Therefore, the health board does not have an agreed or supported plan.

The immediate priority is to de-risk and improve your performance and financial positions in-year, alongside the requirement to develop a financial recovery plan to balance. Progress against this, as well as the wider delivery commitments made within your plan, will be monitored via the regular Escalation Board meetings".

Further evidence of our overarching Planning position can be cross-referenced with the Targeted Intervention update (escalation criteria five to nine) received by this Committee as per agenda item 5.2. Moreover, the high-level visual (Baseline what has changed) further supports the Committee's understanding.

Notwithstanding the above, it is critical that the Committee receives ongoing/overarching progress (assurance) towards establishing an approvable Plan, this Committee is expected to receive updates on other key aspects of the Plan including Planning Goals and Enabling Actions.

Planning Goals

As a reminder to the Committee a key aspect of the Annual Plan remains our Planning Goals (previously referred to as Planning Objectives). Of the eight Planning Goals, four are aligned to this Committee – these are, along with their primary objective(s):

Planning Goal	Lead-assessed position	Evidence required at the Quarter 2 update
Goal 3 20Four7 Population Health	On track	Confirm the Delivery Group outcome, dated milestones and evidence that there is a deliverable plan to improving population health and reducing inequality.
Goal 4 Community by Design	On track, qualified	Confirm the Board seminar date, the next phase of cluster work and decision dates for Integrated Neighbourhoods.
Goal 7 Future-Orientated	On track	Report benefits and outcome measures from the prevention programmes and the Regional Needs Assessment.
Goal 8 Fit for purpose, modern facilities and services	On track against current planning milestones, qualified	Sequence business-case starts and resolve the workforce, estate, safety and capital dependencies for the seven 2026/27 service changes.

The current underpinning detail of these four Planning Goals along with key outcomes in this reporting period are:

Current Status and Key Outcomes
Planning Goal 3: 20Four7 Population Health - Director of Public Health ***On Track*** - Social Model for Health and Wellbeing (SMfHW) - Social model communications and volunteer plans are progressing, with county-level third sector Connect websites due to launch between late June and September 2026. Procurement of partner training in Asset Based Community Development is underway. - Child health Partnership work with University of Wales Trinity Saint David (UWTSD) is progressing on Early Years workforce development and physical literacy. A rapid review information pack on mental health interventions for young people not in education, employment or training (NEET) has been shared across local, regional and national networks

- Reduced Inequity in Preventive Health Services - Continue engagement with clinical leaders, Clinical Care Group (CCG) senior leaders and professional forums. Complete scoping for the first 20four7 Clinical Audit. Progress the Enabling Quality Improvement in Practice **(**EQliP**)** Community by Design x 20four7 project through Day 4, including initial data collection, segmentation and risk stratification. Confirm the July 2026 date for the first 20four7 Delivery Group meeting.
- Healthy Ageing - Progressing the service specification and tender evaluation for healthy ageing and preventative health engagement activities. Developing the Healthy Ageing Workshop output report and draft action plan to strengthen cross-sector collaboration. Supporting **Point Of Care Testing** (POCT) outreach through a formal **funding request.**
- Substance misuse and smoking cessation services are expanding access and support, with targeted action on emerging harms, workforce development, and strong smoking referral performance.

Planning Goal 4: Community by Design (CbD) - Chief Operating Officer

On Track

- Planning for Board Seminar (October 2026)
- Action Plan on next steps for Cluster work in readiness for sign off of Integrated Neighbourhoods
- Planning for clinical input and links into 20four7
- Establishment of subgroups for the Case-based Discussion (CbD) Transformation Group

Planning Goal 7: Future-Orientated - Director of Public Health

On Track

- SMfHW - The Regional Partnership Board (RPB) Regional Needs Assessment remains on schedule and is being aligned with the Public Service Board (PSB) Wellbeing Plan refresh. The Social Model Delivery Plan 2025/28 partner survey is complete, showing good but variable engagement across workstreams.
- Improved child health and weight outcomes - Carmarthenshire Prevention Group has completed its 2026/27 commissioning programme, funding four local prevention projects. Development continues on Pembrokeshire's universal 'Reception Ready' programme.
- Reduced Inequity in Preventive Health Services - A new 20four7 Delivery Group will now take forward the task and finish group's work, reporting to A Healthier Mid and West Wales (AHMWW) and drawing assurance from seven Prevention-Focused Outcome Improvement Groups, alongside Health Improvement and Equity and Population Health Management groups.
- Substance misuse prevention work has strengthened through expanded naloxone training, harm reduction initiatives, new partnership responses, and improved data and justice.
- Pandemic response arrangements have been reviewed and updated, incorporating learning from recent exercises and progressing through governance for endorsement and ratification.

Planning Goal 8: Fit for purpose, modern facilities and services - Director of Strategy and Planning

On Track

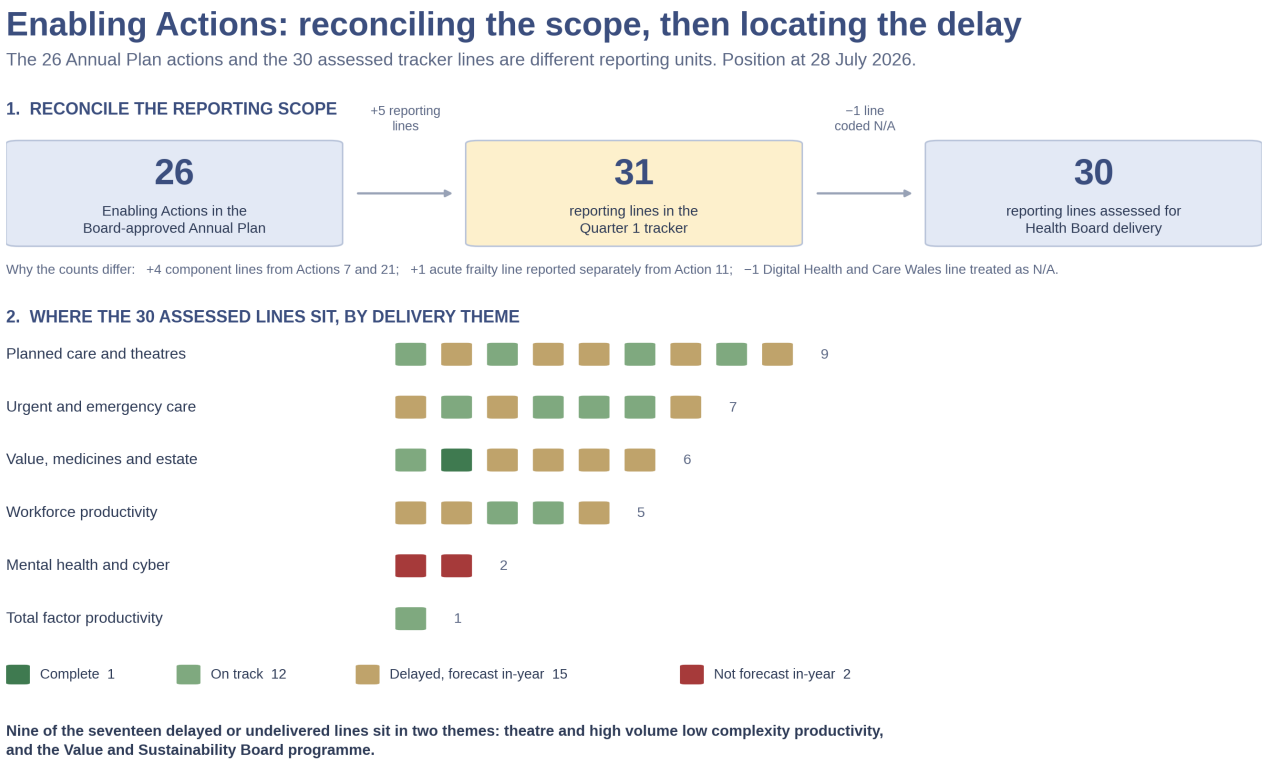
- Discussions with WG officers continue on the endorsement of the AHMWW Programme Business Case (PBC)

- Scrutiny discussions on Phase 2 Fire Precaution Scheme in Glangwili Hospital (GGH) are ongoing with WG
- Ceredigion County Council and Hywel Dda University Health Board (HDdUHB) presented the case to request fees to refresh the Cylch Caron Outline Business Case (OBC) to the WG Integration and Rebalancing Capital Fund (IRCF) Panel on 15 July 2026

Enabling Actions

The July 2026 tracker does not report the 26 Enabling Actions in Annex 2 of the Board-approved Annual Plan on a one-to-one basis. It expands them into 31 reporting lines: Actions 7 and 21 are each broken into three component lines, and acute frailty, which sits within Action 11 in the Annual Plan, is reported separately.

One Digital Health and Care Wales line is treated as not applicable in the Quarter 1 return. The delivery assessment therefore covers 30 reporting lines. Figure 2 first reconciles that scope, then shows the July 2026 delivery status of those 30 lines:

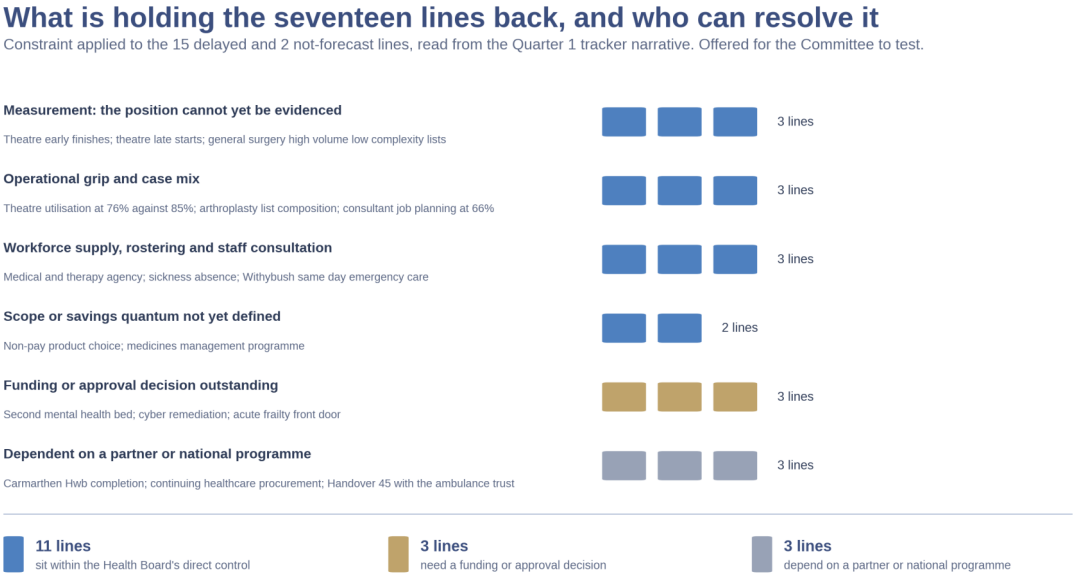


The position is mixed, although more precise than a single aggregate percentage suggests. Thirteen reporting lines are complete or on track. While fifteen are delayed, these are forecast to deliver during 2026/27 and therefore require active recovery against a dated milestone. Two are not expected to deliver in-year and require formal replanning, including a revised route, owner, milestone and clear statement of the consequence for the Annual Plan. The Quarter 2 report should evidence whether the 15 delayed lines are recovering.

The distribution matters more than the total. Nine of the seventeen delayed or undelivered lines sit in only two themes: theatre and high volume low complexity productivity, and the Value and Sustainability programme. Theatre productivity is the Health Board's principal internal lever for delivering the planned care trajectory, making delays in this area the most significant risk. As a result, progress against this theme is likely to determine whether the revised planned care position is deliverable.

What is holding the seventeen lines back

A status count indicates to the Committee the scale of delay; it does not identify the action required to address it. Figure 3 therefore classifies each delayed and not-forecast line by the constraint reported in the tracker narrative, and who is able to resolve it. The classification has been applied by the Planning Team and is provided for the Committee to test rather than to accept.



The conclusion is to draw the Committee's attention to the main challenges. Eleven of the seventeen lines sit within the Health Board's direct control: and require improved measurement, operational grip, workforce action or a defined scope. Their delivery is therefore dependent primarily on organisational focus and execution rather than additional funding or external decision-making. Three require a funding or approval decision, and three depend on a partner or a national programme. The Health Board should therefore ensure the areas that it can fully control have clear, deliverable plans. Where an external dependency is a potential limitation, as it does for continuing healthcare procurement and for Handover 45 with the Welsh Ambulance Services NHS Trust (WAST), that should be stated clearly and unequivocally to WG with the Health Board's own mitigation attached.

Milestones that have moved since the Plan was approved

Controlled variation begins with naming what has changed. The following milestones in the approved Plan have moved. Each requires a Board-approved variation rather than a narrative explanation in the next return.

Commitment in the approved Plan	Position at Quarter 1	Planning consequence
Withybush Hospital (WGH) Same Day Emergency Care (SDEC) live October 2026, fully funded at £1.2m	Estimated go-live 1 December 2026, following organisational change and staff consultation	Two-month slip. Restate the modelled reduction in handovers and twelve-hour waits for the shortened period. Likely to "go-live" in January 27.
Seven-day Clinical Streaming Hub live June 2026	Estimated go-live 3 October 2026; organisational change complete and recruitment underway	Four-month slip on a line still rated on track. Rating and milestone must be reconciled.
Consultant job planning at 82% by Quarter 1, reaching 90% by 30 September 2026	66% at the end of May 2026	Sixteen points below the Quarter 1 trajectory. The September 2026 date requires re-testing.

Sickness absence at 6.3%, below the Health Board target of 6.6%	6.75% on a rolling twelve months at the end of May 2026	The position has moved away from the Plan assumption and the target.
Unsupported digital devices reduced from a baseline of 897	284 unsupported devices remain; classified as not deliverable in-year	Residual scope, funded capacity, risk tolerance and an achievable milestone are required.
A second mental health bed contributing to a material reduction in out-of-area placements	Confirmed as not deliverable in-year	The placement reduction commitment for 2026/27 must be restated.

Actions not forecast for in-year delivery

- **Mental health out-of-area placements -** The two-bed response remains dependent on Public Board consideration of the section 136 proposal, engagement on location, and prioritisation of a Targeted Enhancement Fund (TEF) bid. In-year delivery is therefore not secured. The next update should state the approved route, timescale and effect on the placement-reduction commitment.

- **Cyber resilience -**The programme reports continued progress, with 284 unsupported devices remaining and the tracker classifies the action as not forecast for in-year delivery. The planning requirement is a reconciled position that states the residual scope, funded capacity, risk tolerance and achievable milestone.

Quarter 2 delivery focus

The next report should support a decision-led view of delivery. It should include:

- **Controlled variations -** Board-approved changes to the baseline and one monthly trajectory for planned care, urgent care and diagnostics. This is to understand the totality of the revised trajectories; the trajectories will be scrutinised through Finance and Performance Committee (FPC).

- **Enabling Action recovery -** Movement of delayed and red actions, with mitigation, accountable owner and revised date.

- **Planning Goal evidence.** Progress against the four goals, including the CSP business-case sequence and its material dependencies.

- **Capability and capacity.** An aggregate view of planning and programme capacity, so that the combined portfolio is tested for deliverability rather than assured one programme at a time.

Public, Staff and Stakeholder Accessibility to the Plan

One of the requirements of our Annual Plan as per the 2026/27 Planning Framework from WG is their expectation that in addition to publishing our Board approved plans, each organisation is asked to develop a short video summarising what our plan will deliver, which can be shared with our stakeholders on our websites and social media channels. In collaboration with the Communications Team, such a video along with a synopsis of Health Boards Plan has been produced and is available at: https://hduhb.nhs.wales/about-us/performance-targets/our-performance-areas/publications/our-annual-plan-healthier-lives-well-lived/

Corporate Risk 2212

The overarching Annual Plan is aligned to risk 2212, "*There is a risk that the Health Board will not have an approvable Integrated Medium-Term Plan (IMTP) by March 2028. (Current Risk Score: 12, Target Risk Score: 4)*". The majority of risk actions have recently been updated, however, one remains overdue:

How and when the Gap in control be addressed (Further action necessary to address the controls gaps)	By Who	By When	Progress
Sufficient and assured recurrent savings schemes are planned across Clinical Care Groups	Chief Operating Officer	~~31/03/2026~~ 30/06/2026	Progress update to be provided at next risk review - to be presented to Board in May 2026 before onward submission to WG.

Argymhelliad / Recommendation

The Committee is asked to

- **SCRUTINISE** the mixed Quarter 1 delivery position, including that 17 of the 30 applicable Enabling Action lines are delayed or not forecast for delivery in-year;

- **RECEIVE ASSURANCE** that material changes to planned care, urgent care, diagnostics and the Clinical Services Plan are being managed through one controlled Annual Plan baseline, with realistic trajectories, defined capacity and funding assumptions, dependencies, owners, milestones and an approval route; and

- **REQUEST** that the Quarter 2 update to show movement against the four Planning Goals and Enabling Actions, approved baseline variations, recovery of delayed actions, and the aggregate capability and capacity available to deliver the Plan.

Amcanion: (rhaid cwblhau) **Objectives: (must be completed)**	
Cyfeirnod Cylch Gorchwyl y Pwyllgor: Committee ToR Reference:	3.1.1 Receive assurance that the planning cycle is being taken forward and implemented in accordance with Health Board and Welsh Government requirements, guidance and timescales. 3.1.4. Receive assurance on delivery of the Health Board's Annual Plan through the scrutiny of regular monitoring reports.
Cyfeirnod Cofrestr Risg Datix, Teitl a Sgôr Risg Cyfredol: Datix Risk Register Reference and Score:	Risk 2212 - There is a risk that the Health Board will not have an approvable Integrated Medium-Term Plan (IMTP) by March 2028. Current Risk Score: 12, Target Risk Score: 4)
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	7. All apply
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	6. All Apply

Amcanion Strategol y BIP: UHB Strategic Objectives:	2. Healthier communities 4. Positive futures
Nodau Cynllunio 2026/27 Planning Goals 2026/27	3. 20Four7 Population Health 4. Community by Design 7. Future Orientated 8. Fit for Purpose, Modern Facilities and Services
Hypergyswllt i Amcanion Llesiant HDdUHB 2026 Hyperlink to HDdUHB Well-being Objectives 2026	9. All HDdUHB Well-being Objectives apply
Model Cymdeithasol ar gyfer Iechyd a Llesiant: (wedi'i gwblhau ar gyfer newid strategol a/neu newidiadau sylweddol i wasanaethau) A Social Model for Health and Wellbeing: (*complete for strategic change and/or significant service changes)*	Not Applicable
Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Annual Plan 2026/27
Rhestr Termau: Glossary of Terms:	Not applicable – within the paper
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y cyfarfod hwn: Parties / Committees consulted prior to this meeting:	Executive Team

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Any financial impacts and considerations are identified in the report
Ansawdd / Gofal Claf: Quality / Patient Care:	Any issues are identified in the report
Gweithlu: Workforce:	Any issues are identified in the report
Tegwch Iechyd: Health Equity:	Not applicable

Risg: **Risk:**	Consideration and focus on risk is inherent within the report. A sound system of internal control helps to ensure any risks are identified, assessed and managed.
Cyfreithiol: **Legal:**	Any issues are identified in the report
Enw Da: **Reputational:**	Any issues are identified in the report
Gyfrinachedd: **Privacy:**	Not applicable
Cydraddoldeb: **Equality:**	Not applicable

Cyfarwyddwr Cyffredinol Grŵp Iechyd, Gofal ac Atal / Prif Weithredwr GIG Cymru

Director General Health, Health, Care and Prevention Group / NHS Wales Chief Executive

Llywodraeth Cymru
Welsh Government

Phil Kloer
Chief Executive
Hywel Dda University Health Board

Our Ref: JT/BS/SB

23 July 2026

Dear Phil

Hywel Dda University Health Board Annual Plan 2026/27 - Update

Thank you for your response of 29 May in which you have provided an update on the health board's annual plan for 2026-27, noting that we also discussed the organisation's position at the Escalation Board meeting on 3 June.

Whilst I have also written to you following the Escalation Board, I feel it is important that I write to you separately in relation to your annual plan update. Whilst I appreciate that a great deal of work is ongoing to strengthen your planning, I remain disappointed with the current position, which continues to be unsupportable and unacceptable.

Finance:

- I am concerned there has been no improvement to the forecast deficit position of £41m for 2026/27 but encouraged to hear that since meeting with NHS Wales Performance and Improvement that of the £42.8m savings target, £21m has now been identified as green or amber. However, the significant risk to savings delivery remains. I am also concerned that the health board has not provided assurance it can deliver the planned underlying deficit for March 2027. The health board must:

    - demonstrate delivery in full of the in-year and recurrent planned level of savings that under-pin the current forecast deficit.

- Also, it was agreed at the Escalation Board that you would provide me with clarity and assurance on the delivery of the £41m deficit as a minimum and a clear finance recovery plan to achieving financial balance. This plan should include a fully triangulated workforce plan and impact assessment which is deliverable within resources. I am aware you have met with colleagues to discuss this and want to emphasise the importance of the health board providing a clear, deliverable, recovery plan to financial balance.

- This will be discussed at the next Escalation Board.

Performance:

- Planned Care: I was disappointed with the lack of commitment on 104-week waits and the risks around the health board's ability to maintain and improve on the 104 week, 8-week diagnostics and 14-week therapies. We also discussed my concerns around the cancer backlog.

Urgent & Emergency Care:

- I recognise there was a slight improvement in the number of over 1-hour ambulance handover waits in April and for those waiting under 45 minutes when compared to your original submission. There was also a slight improvement in 12-hour ED waits. However, further improvement is required, and we agreed to review the de-escalation criteria and to focus on the 45-minute ambulance handover and 12-hour waits. I also noted the pathways of care performance had deteriorated.

- It was agreed that you would work closely NHS Performance & Improvement colleagues, and I am expecting to see improved, ambitious trajectories for urgent and emergency care, planned care and cancer. I understand this work is still ongoing, but I would also expect to discuss progress at our next Escalation Board.

In summary, your organisation has failed to meet the statutory planning and financial requirements as set out in the NHS Wales Planning Framework. You have also failed to meet the de-escalation criteria for a credible annual plan. The health board has therefore breached its statutory duty, and as your plan stands you have not provided the assurance or levels of confidence required. As noted, your plan therefore remains unacceptable and unsupportable by Welsh Government. Therefore, the health board does not have an agreed or supported plan.

The immediate priority is to de-risk and improve your performance and financial positions in-year, alongside the requirement to develop a financial recovery plan to balance. Progress against this, as well as the wider delivery commitments made within your plan, will be monitored via the regular Escalation Board meetings.

Yours sincerely

Jacqueline Totterdell

cc: Neil Wooding, Chair, Hywel Dda University Health Board